

**TIPPECANOE COUNTY**  
(Analysis of the Ratio Report and Equalization Study)

First, the Indiana Constitution requires that property tax “assessment and taxation” be “uniform and equal.” It is the State’s constitutional responsibility to administer the property tax system such that local governments perform the ministerial duties of assessment and tax collection in accordance with state law. State law mandates a market value based assessment.

The State’s responsibility, in addition to the statutory duties assigned to it under various chapters of IC 6-1.1, is to ensure compliance, by the local assessors, of the department of local government finance (DLGF) assessment rules. State law mandates that assessments be objectively verifiable, an independent study that measures the relationship between assessments and market value is required to determine compliance by the local assessors. This is accomplished through an independent ratio study performed by the Counties.

The County Assessor responsibility, in addition to the statutory duties assigned to them under various chapters of IC 6-1.1, is directing the township and trustee assessors in the uniform valuation of land with their respective county, conduct assessment ratio studies to determine the accuracy and uniformity of assessments within the county, Equalizing assessments countywide.

The Township and Trustee Assessor responsibility, in addition to the statutory duties assigned to them under various chapters of IC 6-1.1, is determining land value base rates by neighborhood, conducting assessment ratio studies to determine the accuracy and uniformity of assessments within their respective township, Equalizing assessments within the township.

After the required data computations are compiled for every township in the county and are determined to be in compliance with DLGF’s standards, the County Assessor shall forward the results of those computations, the computations themselves, and all information used to make the computations (including all sales and assessment information) to the DLGF as specified by 50 IAC 21. The Department requests that the County Assessor provide the data computations be sent with the “pre-rollover” values (i.e. this would be the most current data available, and would reflect the applied annual adjustment factor). The Department then reviews various statistical measures, such as median, the coefficient of dispersion (COD), and price-related differential (PRD) for accuracy, uniformity, and equity of the assessments by property class and by township. To ensure the annual adjustment rule has been properly completed, the Department will thoroughly review assessed valuations for all classes of property to determine whether a change in value from the previous assessment date has occurred. IC 6-1.1-4-4.5; IC 6-1.1-4-31;  
50 IAC 21.

Second, a ratio study essentially is an audit of the quality of an assessment. In my review of the County's "Ratio Study" I found several things that called into question the general reliability of the equalization report. The following is a sampling of some (not all), in no certain order, of the questions and issues:

- -Not prepared with "pre-rollover" values
- -Inequitable values
- -Data integrity
- -Duplicate Records
- -Extremes or Outliers
- -Excel spreadsheet items
- -Computer System (CAMA software)
- -Neighborhood Codes and Factors
- -Quality of the work product
- -Organization of data management
- -Incomplete data analysis
- -Review of the work product
- -Verification that directions were followed and implemented
- -Accuracy of the work product
- -Communication

In conclusion this report is not directed at any particular person or parties that are involved in the due process, it is strictly an unbiased opinion. Everyone has been very cooperative and extremely helpful with my review process, which is still in process. While there has been a good amount of quality work done, it just isn't finished. I know that all parties involved have the same common goal of providing the tax payers of Tippecanoe County with a quality set of assessed values. By taking the time reviewing, checking the data for accuracy and correcting these issues, this study can be accomplished producing a better quality product.

Jim Flake  
Tyler Technologies / CLT appraisal division  
352 West 300 South  
Greenfield, IN. 46140